Montana State Legislature

Exhibit Number: 4

This exhibit is in regards to HJR 51 ,

It contains several different types of materials to numerous to scan. Therefore only 10 pages have been scanned to aid in your research. You may view the original it is on file at the Montana Historical Society and may be observed there.

An Analysis of the Gender Wage Gap in the State Government Workforce

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For many years, both academics and the popular press have focused from time to time on the gap in average pay between male and female workers. At the same time, employers and governments have increasingly sought to enact legislation and internal policies designed to shrink this gap and encourage equal pay for equal work. Recently, the Interagency Committee for Change By Women (ICCW) asked the Research and Analysis Bureau to investigate differences in male and female pay within state government. This article provides a summary of the results.

Data for this study came from the Montana Department of Administration and included wage records for all employees in state government. Besides wages, the data set included other employee characteristics that might affect wages, such as job tenure, pay grade, pay plan, job title, race, marital status, gender, age, full or part time status, and union affiliation. The richness of the data allowed us to isolate the effects of gender on wages while controlling for the other variables listed in Table 1.

To isolate the effect of each individual variable on wages, a statistical technique called regression analysis was used. Regression analysis is powerful, in that it allows a researcher to mathematically hold constant all variables but one, in order to see what the effect of that one variable is on wages. Think of regression as a tool that permits us to compare two workers, Joe and Jane, who are identical in terms of all the control variables except for their gender. Any difference in Joe and Jane's salary results from either their gender or the fact that there is an important missing variable excluded from the data set.

One variable absent from the data set was educational attainment. While it is well known that educational attainment affects wages, and it would be preferable to include educational attainment in our model, we do not feel that the lack of this variable drastically affects the results. We draw this conclusion because occupational title, which we included in the model, will in many cases correlate with educational attainment. For example, lawyers need a certain level of education to practice. While there is a risk that some individuals are under-employed given their educational background, we believe that most individuals will be employed in job titles that reflect their education.

We ran a regression analysis using 3,900 wage records. Because of data requirements, we excluded workers who held more than one job and included only those occupations with at least ten men and ten women. Economists, for example, are excluded because there are 9 men and only 1 woman with this job title in state government. We also exclude employees of the state's university system and elected officials.

Overall, the average female salary in state government was about $6,900 less than the average male salary. This equates to the average woman making about 83% of the average man's salary. Most of this gap disappears after taking into account the variables in Table 1. After controlling for these variables, the regression results showed that the remaining unexplained gap between male and female pay was $1,010.

Table 1: Variables Used in the Regression Analysis

Dependent Variable:
- Wage

Control Variables:
- Gender
- Race
- Marital Status
- Job Title
- Pay Grade
- Pay Plan
- Tenure
- Union Affiliation
- Full Time or Part Time Status

Referring back to the example of Joe and Jane, if Joe and Jane both had average values for the control variables in Table 1, then Jane would earn about 97% of what Joe earns. More specifically, the model estimates that if Joe and Jane both had the average state government tenure (10.4 years) worked in the same "average" occupation, belonged to the same union, and in all other respects were the same in terms of the control variables in table one, then Jane would make $35,480 which is 97% of Joe's $36,490 annual salary.

Those interested in shrinking the gender pay gap should find it heartening that most of the gap does not appear to result from women earning less while doing the same job and having the same characteristics as men. The broader

question is why do women differ from men in terms of these other variables? Table 2 provides some summary statistics for some of the control variables. For example, men tend to have more tenure in state government than women. (11.3 years vs. 9.5 years). The analysis found that for each additional year of tenure, wage increased by an estimated $517. Therefore, the 1.8 year difference in average tenure between men and women explains $931 of the overall pay gap.

Table 2: Summary Statistics for Control Variables

Variables	Female	Male
Tenure	9.51	11.28
White	50%	50%
Non-White	52%	48%
Married	47%	53%
Single	55%	45%
Full-Time	48%	52%
Part-Time	60%	40%
Non-Union	50%	50%
MPEA	52%	48%
MEA	47%	53%
Other Union	56%	44%

Another key factor in the overall wage gap is the propensity of women to work part-time rather than full time. All else being equal, part-time workers make roughly $8,263 dollars less than full-time workers. Table 2 shows that 60% of the state's part-time workers are women, even though the overall state workforce is 50% male and 50% female.

Another question is why do women tend to be more concentrated in certain lower-wage occupations while men are concentrated in higher-wage occupations? Examination of Table 3 reveals that even though the state employs nearly equal numbers of men and women, only 11% of the state's "Engineering Managers" are women while 88% of its "Administrative Clerks" are women. Only 35% of the state's program managers are women, and the average salary of female program managers is lower that male program managers, suggesting that the men may be more concentrated in upper management and the women in middle management. Overall, the differences in male and female occupational mix accounted for about $3,413 of the difference in male and female pay, or about half of the overall wage gap.

It would be interesting to study whether the difference in male and female concentrations in the various occupations is due to hiring practices or larger social issues. If for example half of all applicants for managerial positions were women it would be difficult to defend the fact that only 35% of managers are currently women. On the other hand, if only 35% of applicants for management positions were women, then it would be difficult to make the case that hiring practices are discriminatory.

We hope that this article has contributed to the continued discussion on this important issue. As can be seen from this analysis, the gender wage gap is a complex issue resulting from many different factors. To fully understand the causes of the wage gap, additional research into the reasons behind the male-female differences in the control variables would be beneficial. There may be social and cultural issues as well as individual lifestyle choices contributing to the wage gap that extend beyond purely economic explanations.

Table 3: Male and Female Wages by Job Title

Job Code	Job Title	Female	Wage	Male	Wage
000032	Legislative - Prof	56%	52,644	44%	56,759
000101	Personal Staff/EO-Admin	35%	51,792	65%	67,622
111217	Operations Manager	27%	61,424	73%	64,506
111218	Operations Manager	30%	75,184	70%	78,172
111916	Program Manager	35%	51,830	65%	53,952
119417	Engineering Manager	12%	70,259	88%	70,799
119902	Social Community Svc Mgr	60%	48,317	40%	50,426
131413	Child Support Compliance Spc	88%	35,652	13%	33,861
131415	Compliance Specialist	53%	34,179	47%	35,081
131615	Employment Specialist	65%	32,160	35%	32,583
131756	Training Development Spc	33%	41,404	67%	40,338
131904	Administrative Specialist	78%	38,759	22%	40,270
131915	Administrative Specialist	73%	35,168	27%	34,214
131916	Administrative Specialist	55%	43,521	45%	44,230
132116	Accountant	78%	41,834	22%	41,152
132206	Tax Appraiser	45%	33,081	55%	35,710
151216	Computer Programmer	37%	45,370	63%	46,669
151516	Computer Systems Analyst	33%	45,021	67%	47,025
151716	Network Administrator	41%	42,774	59%	44,480
151816	Network Systems Analyst	30%	42,082	70%	45,356
173136	Designer	18%	47,476	82%	46,780
173213	Civil Engineering Technician	19%	24,038	81%	22,819
173215	Civil Engineering Technician	9%	39,779	91%	42,079
191236	Fish Wildlife Biologist	12%	39,457	88%	43,705
191315	Water Conservation Specialist	27%	35,724	73%	34,665
192416	Environmental Science Spc	35%	38,413	65%	40,250
192417	Environmental Science Spc	24%	44,424	76%	47,548
194952	Conservation Aide	27%	15,523	73%	17,196
211182	Rehabilitation Counselor	40%	29,651	60%	31,249
211184	Rehabilitation Counselor	67%	31,087	33%	30,417
211196	Rehabilitation Counselor	63%	35,270	37%	36,757
211204	Child Family Social Worker	81%	32,577	19%	34,595
211216	Child Family Social Worker	84%	36,154	16%	38,228
211226	Human Services Specialist	73%	38,252	27%	37,735
211816	Probation Parole Officer	42%	35,677	58%	38,990
231117	Lawyer	54%	52,875	46%	57,104
259306	Instructional Coordinator	55%	39,483	45%	40,051
291605	Registered Nurse	83%	35,721	17%	38,142
311123	Nursing Aide	90%	15,809	10%	12,442
311144	Psychiatric Aide	51%	21,630	49%	22,611
333113	Correctional Officer	19%	28,540	81%	29,828
333114	Correctional Officer	17%	30,108	83%	35,318
373112	Groundskeeper	45%	12,180	55%	15,038
434191	Survey Interviewer	64%	18,958	36%	17,893
436113	Administrative Assistant	94%	22,740	6%	21,715
439502	Mail Clerk	66%	9,036	34%	8,356
439612	Administrative Clerk	79%	17,333	21%	15,497
JUD507	Deputy Juvenile Probation Off	40%	30,057	60%	34,420

Table 1. How the States Measure Up: The Earnings and Employment Composite Index and Its Components

	Composite Index			Median Annual Earnings Full-Time, Year-Round for Employed Women		Earnings Ratio between Full-Time, Year-Round Employed Women and Men		Percent of Women in the Labor Force		Percent of Employed Women, Managerial or Professional Occupations	
State	Score	Rank	Grade	Dollars	Rank	Percent	Rank	Percent	Rank	Percent	Rank
Alabama	3.77	39	D	$29,700	34	74.3%	32	55.8%	45	33.1%	25
Alaska	4.22	6	B	$36,100	6	77.6%	16	65.6%	7	34.4%	17
Arizona	3.99	17	C+	$32,000	16	83.8%	2	57.4%	42	32.9%	27
Arkansas	3.47	51	F	$24,800	50	71.5%	43	54.9%	49	29.5%	48
California	4.14	11	B-	$35,100	7	82.6%	4	57.6%	39	35.1%	12
Colorado	4.21	8	B	$34,000	10	76.2%	19	65.3%	9	37.1%	7
Connecticut	4.20	9	B	$38,200	4	71.9%	40	60.0%	28	37.2%	6
Delaware	4.00	16	C+	$32,000	16	77.5%	17	61.1%	22	33.8%	20
District of Columbia	4.98	1	A-	$42,400	1	85.5%	1	62.3%	15	52.5%	1
Florida	3.81	35	D+	$30,000	29	80.6%	7	55.4%	47	31.3%	36
Georgia	4.06	13	B-	$31,700	23	83.0%	3	59.2%	33	35.1%	12
Hawaii	3.99	17	C+	$31,800	19	79.5%	10	60.1%	27	33.4%	23
Idaho	3.53	49	F	$27,000	43	67.7%	48	61.3%	20	27.1%	51
Illinois	3.97	20	C+	$33,100	14	76.1%	23	59.7%	29	33.0%	26
Indiana	3.79	38	D+	$30,000	29	72.6%	38	61.0%	23	30.9%	40
Iowa	3.86	30	C-	$29,700	34	75.2%	28	65.4%	8	30.1%	43
Kansas	3.96	21	C	$30,000	29	75.0%	29	64.5%	12	33.8%	20
Kentucky	3.74	41	D	$28,900	37	76.1%	23	55.4%	47	32.3%	29
Louisiana	3.50	50	F	$26,500	45	66.3%	49	54.9%	49	31.1%	38
Maine	3.96	21	C	$30,300	28	75.8%	25	61.0%	23	35.1%	12
Maryland	4.57	2	B+	$39,300	2	82.2%	5	62.3%	15	43.1%	2
Massachusetts	4.27	4	B	$37,200	5	72.0%	39	61.9%	18	39.7%	4
Michigan	3.86	30	C-	$32,600	15	69.8%	47	59.7%	29	32.5%	28
Minnesota	4.23	5	B	$35,000	8	77.8%	14	69.0%	2	33.9%	19
Mississippi	3.56	47	F	$25,800	47	73.7%	33	55.5%	46	30.3%	41
Missouri	3.98	19	C+	$30,800	27	75.3%	27	62.7%	13	34.7%	16
Montana	3.63	43	D-	$24,800	50	72.9%	36	62.0%	17	30.3%	41
Nebraska	3.89	25	C	$28,900	37	75.7%	26	68.5%	3	29.9%	45
Nevada	3.87	29	C	$31,000	24	81.8%	6	59.3%	32	29.6%	47
New Hampshire	4.07	12	B-	$34,000	10	71.1%	45	64.7%	11	34.9%	15
New Jersey	4.28	3	B	$38,900	3	77.8%	14	58.4%	36	37.6%	5
New Mexico	3.61	44	D-	$25,800	47	71.7%	42	57.5%	41	31.9%	33
New York	4.01	15	C+	$33,300	13	78.4%	12	56.2%	44	35.4%	9
North Carolina	3.85	33	C-	$29,800	33	79.7%	9	58.8%	35	31.3%	36
North Dakota	3.80	36	D+	$26,000	46	71.8%	41	67.6%	4	32.1%	32
Ohio	3.89	25	C	$31,800	19	74.8%	30	60.4%	26	31.8%	34
Oklahoma	3.77	39	D	$27,600	41	76.2%	19	57.6%	39	33.3%	24
Oregon	3.91	24	C	$31,000	24	73.1%	35	59.0%	34	35.2%	11
Pennsylvania	3.84	34	C-	$31,800	19	74.8%	30	58.1%	38	31.5%	35
Rhode Island	3.92	23	C	$32,000	16	71.1%	45	61.7%	19	33.6%	22
South Carolina	3.80	36	D+	$27,700	40	73.7%	33	59.5%	31	34.2%	18
South Dakota	3.86	30	C-	$26,900	44	76.9%	18	69.4%	1	30.0%	44
Tennessee	3.70	42	D	$29,000	36	78.0%	13	57.4%	42	28.7%	50
Texas	3.88	28	C	$30,000	29	80.6%	7	58.2%	37	32.3%	29
Utah	3.60	46	D-	$28,000	39	65.3%	50	62.7%	13	28.8%	49
Vermont	4.18	10	B	$31,800	19	79.5%	10	65.8%	6	36.7%	8
Virginia	4.22	6	B	$34,000	10	76.2%	19	60.8%	25	40.3%	3
Washington	4.03	14	C+	$34,100	9	71.3%	44	61.2%	21	35.3%	10
West Virginia	3.56	47	F	$27,600	41	76.2%	19	49.1%	51	31.0%	39
Wisconsin	3.89	25	C	$31,000	24	72.9%	36	66.6%	5	29.8%	46
Wyoming	3.61	44	D-	$25,800	47	60.7%	51	65.3%	9	32.3%	29
United States	**4.00**			**$31,800**		**77.0%**		**59.2%**		**35.5%**	

Table 2. How the States Measure Up: The Economic Policy Environment Composite Index and Its Components

	Composite Index			Percent of Women with Health Insurance		Percent of Women with Four or More Years of College		Percent of Businesses that are Women-Owned		Percent of Women Living Above Poverty		In Poverty
State	**Score**	**Rank**	**Grade**	**Percent**	**Rank**	**Percent**	**Rank**	**Percent**	**Rank**	**Percent**	**Rank**	**Percent**
Alabama	6.48	47	D-	81.5%	32	19.6%	48	26.4%	31	83.1%	47	16.9%
Alaska	7.13	15	C+	79.3%	39	29.1%	13	26.2%	34	90.0%	9	10.0%
Arizona	6.87	33	D+	78.6%	42	25.2%	26	28.8%	14	85.7%	37	14.3%
Arkansas	6.28	51	F	76.1%	47	17.6%	50	23.7%	48	83.8%	44	16.2%
California	7.12	16	C+	78.0%	43	28.8%	15	29.9%	5	87.5%	31	12.5%
Colorado	7.40	9	B-	81.0%	33	34.2%	6	29.1%	12	89.2%	14	10.8%
Connecticut	7.48	6	B	87.5%	8	34.9%	4	27.2%	23	89.9%	12	10.1%
Delaware	7.04	22	C	86.4%	13	25.4%	24	24.1%	46	90.9%	6	9.1%
District of Columbia	7.72	1	B+	86.9%	10	45.3%	1	33.2%	1	82.2%	49	17.8%
Florida	6.89	31	D+	76.4%	46	24.2%	32	28.4%	16	88.0%	29	12.0%
Georgia	7.02	25	C	79.6%	38	27.5%	20	29.1%	12	86.7%	36	13.3%
Hawaii	7.46	7	B	88.6%	2	30.4%	11	30.1%	4	90.7%	7	9.3%
Idaho	6.79	36	D+	79.8%	37	22.5%	40	23.7%	46	90.0%	9	10.0%
Illinois	7.16	13	C+	83.2%	26	27.7%	18	29.7%	6	88.1%	27	11.9%
Indiana	6.82	34	D+	82.6%	30	21.2%	45	27.4%	21	88.1%	27	11.9%
Iowa	7.03	23	C	87.9%	6	24.0%	34	27.0%	26	89.2%	14	10.8%
Kansas	7.14	14	C+	86.1%	14	28.2%	16	27.2%	23	88.5%	19	11.5%
Kentucky	6.50	46	D-	82.8%	28	19.5%	49	25.7%	39	83.7%	46	16.3%
Louisiana	6.37	49	F	73.2%	50	20.9%	47	26.4%	31	81.6%	51	18.4%
Maine	6.88	32	D+	87.9%	6	25.3%	25	24.0%	47	87.2%	34	12.8%
Maryland	7.55	3	B	83.5%	25	34.6%	5	31.0%	2	89.9%	12	10.1%
Massachusetts	7.54	4	B	88.3%	4	35.6%	2	28.7%	15	89.2%	14	10.8%
Michigan	7.02	25	C	86.0%	15	23.5%	38	29.6%	8	87.8%	30	12.2%
Minnesota	7.57	2	B	91.0%	1	32.3%	8	27.9%	19	92.6%	2	7.4%
Mississippi	6.47	48	D-	78.9%	40	21.8%	42	25.1%	41	82.7%	48	17.3%
Missouri	6.96	29	C-	84.9%	20	23.7%	35	27.4%	21	88.5%	19	11.5%
Montana	6.68	42	D	77.3%	44	24.9%	28	24.4%	44	85.6%	38	14.4%
Nebraska	7.09	19	C	85.2%	19	25.5%	23	26.6%	28	90.3%	8	9.7%
Nevada	6.81	35	D+	78.7%	41	21.4%	44	28.1%	17	88.2%	26	11.8%
New Hampshire	7.42	8	B-	86.0%	15	31.9%	9	24.7%	43	93.4%	1	6.6%
New Jersey	7.40	9	B-	82.8%	28	33.6%	7	26.1%	36	91.4%	4	8.6%
New Mexico	6.69	41	D	73.8%	49	24.4%	30	30.9%	3	82.2%	49	17.8%
New York	7.12	16	C+	83.7%	23	30.6%	10	29.6%	8	84.8%	40	15.2%
North Carolina	6.76	38	D+	81.6%	31	24.2%	32	27.1%	25	84.7%	41	15.3%
North Dakota	7.01	27	C	88.1%	5	27.6%	19	23.3%	50	88.5%	19	11.5%
Ohio	6.96	29	C-	85.9%	17	22.7%	39	28.1%	17	88.5%	19	11.5%
Oklahoma	6.64	43	D	75.3%	48	21.6%	43	25.7%	39	86.9%	35	13.1%
Oregon	7.09	19	C	79.9%	35	27.0%	21	29.5%	10	88.3%	25	11.7%
Pennsylvania	6.97	28	C-	86.6%	12	24.5%	29	26.0%	37	88.5%	19	11.5%
Rhode Island	7.11	18	C	86.8%	11	28.9%	14	26.5%	29	87.5%	31	12.5%
South Carolina	6.71	39	D	80.7%	34	23.6%	37	26.2%	34	85.0%	39	15.0%
South Dakota	6.79	36	D+	85.6%	18	25.0%	27	22.4%	51	87.3%	33	12.7%
Tennessee	6.63	44	D	84.7%	21	21.9%	41	26.0%	37	83.9%	43	16.1%
Texas	6.57	45	D-	70.8%	51	23.7%	35	27.0%	26	84.1%	42	15.9%
Utah	7.09	19	C	83.0%	27	25.9%	22	25.1%	41	91.7%	3	8.3%
Vermont	7.53	5	B	87.2%	9	35.5%	3	26.3%	33	91.4%	4	8.6%
Virginia	7.36	11	B-	84.2%	22	30.4%	11	29.7%	6	90.0%	9	10.0%
Washington	7.18	12	C+	83.7%	23	28.0%	17	29.4%	11	88.5%	19	11.5%
West Virginia	6.34	50	F	77.1%	45	15.2%	51	27.7%	20	83.8%	44	16.2%
Wisconsin	7.03	23	C	88.6%	2	24.3%	31	26.5%	29	89.2%	14	10.8%
Wyoming	6.71	39	D	79.9%	35	21.0%	46	24.4%	44	88.8%	18	11.2%
United States				**81.4%**		**26.5%**		**28.2%**		**87.3%**		

Table 3. Selected State-by-State Indicators on Men's Economic Status

State	Median Annual Earnings for Full-Time, Year-Round Employed Men, 2005[a]	Percent of Men Living Above Poverty, 2005[a]	Percent of Men in the Labor Force, 2004[b]	Percent of Men with Four or More Years of College, 2005[a]
Alabama	$40,000	89.5%	70.0%	22.3%
Alaska	$46,500	92.3%	76.6%	25.4%
Arizona	$38,200	89.7%	73.1%	28.2%
Arkansas	$34,700	89.5%	70.1%	19.3%
California	$42,500	89.9%	73.9%	32.4%
Colorado	$44,600	91.5%	80.5%	37.3%
Connecticut	$53,100	93.2%	73.3%	36.8%
Delaware	$41,300	94.2%	72.0%	27.0%
District of Columbia	$49,600	87.9%	73.9%	48.9%
Florida	$37,200	91.4%	69.6%	28.4%
Georgia	$38,200	91.1%	76.0%	27.5%
Hawaii	$40,000	92.9%	69.7%	28.8%
Idaho	$39,900	92.1%	74.8%	27.4%
Illinois	$43,500	90.9%	73.3%	31.1%
Indiana	$41,300	93.2%	73.1%	22.4%
Iowa	$39,500	92.0%	75.3%	25.0%
Kansas	$40,000	91.2%	78.9%	32.8%
Kentucky	$38,000	88.3%	68.9%	20.8%
Louisiana	$40,000	88.1%	67.7%	21.2%
Maine	$40,000	90.6%	71.4%	24.9%
Maryland	$47,800	92.9%	75.0%	36.8%
Massachusetts	$51,700	91.9%	73.7%	40.5%
Michigan	$46,700	90.7%	72.8%	26.7%
Minnesota	$45,000	93.5%	80.3%	34.6%
Mississippi	$35,000	86.3%	68.4%	19.9%
Missouri	$40,900	91.7%	74.1%	27.9%
Montana	$34,000	88.3%	71.2%	26.0%
Nebraska	$38,200	91.7%	80.7%	25.9%
Nevada	$37,900	92.2%	74.2%	24.3%
New Hampshire	$47,800	96.1%	77.9%	28.2%
New Jersey	$50,000	94.1%	74.0%	31.5%
New Mexico	$36,000	87.9%	69.9%	35.1%
New York	$42,500	89.6%	70.3%	37.6%
North Carolina	$37,400	90.2%	73.6%	25.2%
North Dakota	$36,200	92.3%	77.1%	26.6%
Ohio	$42,500	91.9%	73.5%	24.6%
Oklahoma	$36,200	89.9%	71.3%	24.9%
Oregon	$42,400	91.0%	73.5%	28.6%
Pennsylvania	$42,500	92.6%	71.6%	27.5%
Rhode Island	$45,000	92.4%	71.5%	29.1%
South Carolina	$37,600	89.6%	71.2%	24.3%
South Dakota	$35,000	89.7%	78.1%	25.5%
Tennessee	$37,200	89.0%	69.9%	23.6%
Texas	$37,200	87.8%	76.4%	26.7%
Utah	$42,900	92.5%	79.5%	32.2%
Vermont	$40,000	93.5%	75.9%	32.8%
Virginia	$44,600	92.9%	74.3%	33.3%
Washington	$47,800	91.7%	74.7%	33.6%
West Virginia	$36,200	88.4%	60.8%	15.6%
Wisconsin	$42,500	92.2%	77.2%	25.9%
Wyoming	$42,500	93.1%	77.3%	22.0%
National	**$41,300**	**90.8%**	**71.8%**	**29.1%**

Sources: [a] IWPR 2006a; [b] US Department of Labor, Bureau of Labor Statistics 2006b

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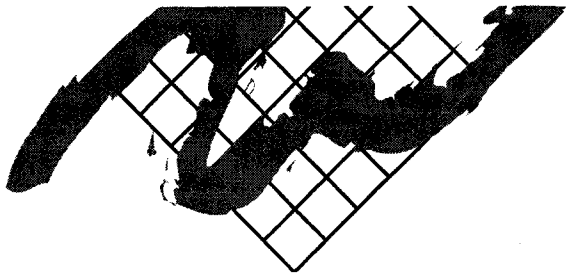

Briefing Paper

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The Best and Worst State Economies for Women

By Heidi Hartmann, Olga Sorokina, and Erica Williams,
with the assistance of Vicky Lovell, Tori Finkle, Ashley English, and Amy Caiazza

Women have made dramatic economic progress throughout the United States, especially since the 1960s. Yet, women have fared much better in some states than in others, and in no state do women fare as well economically as men. On several indicators, women have experienced important gains in the nearly two decades that the Institute for Women's Policy Research (IWPR) has been tracking these data. For example, women are more likely than men to be employed in managerial or professional jobs and to have health insurance coverage. At the same time, women still earn less, are less likely to have a Bachelor's or professional degree, or to own a business, and are more likely to live in poverty than men across the states. With median annual earnings of $31,800, women employed full-time, year-round in the United States still earn only 77.0 percent of what men earn. Of all civilian women aged 16 and older, only 59.2 percent are in the labor force, compared with 71.8 percent of men.

Ranking the States

Women's economic progress differs strongly by region and from state to state. Women generally do better in the Northeast and in the West than in the Southeast or Midwest. In this briefing paper, we examine the differences between the states in how women fare economically and we rank the states from best to worst on eight indicators gathered into two composite indices. Some of the indicators used measure how women fare relative to men, such as the female-male wage ratio. Other indicators indicate how well women are doing relative to women in other states or nationally, such as the

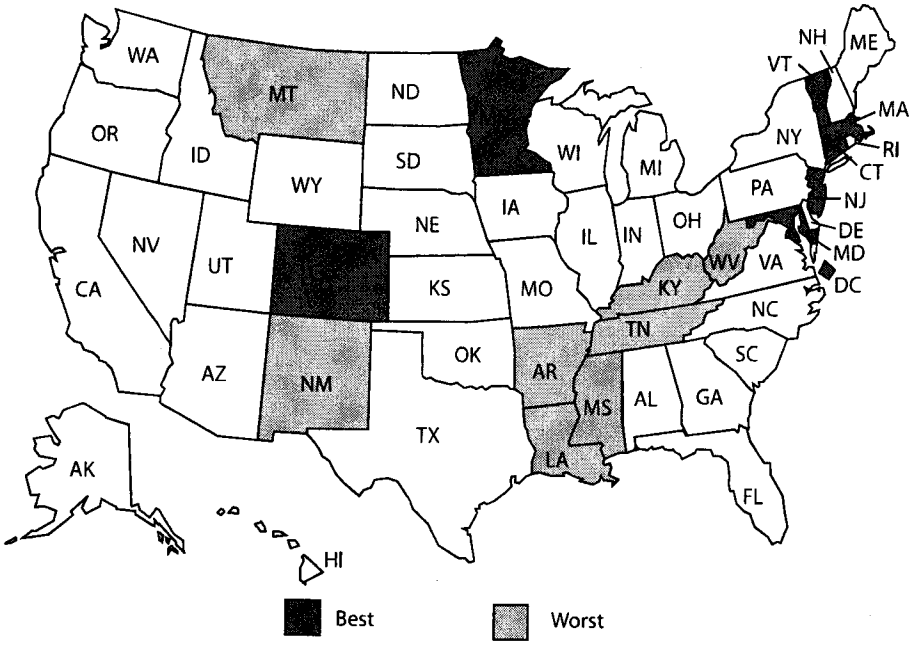
What's Promising?

- Women's wages have risen in all states in real (inflation-adjusted) dollars since 1989. The highest earnings are found in the District of Columbia, Maryland, and New Jersey.
- The female-male wage ratio has increased substantially since 1989, from 68.5 percent to 77.0 percent, increasing in 50 states and falling only in the District of Columbia.
- Women have almost achieved parity with men in the proportion with a four-year college degree. Among women 25 years old and older, 26.5 percent had at least a Bachelor's degree in 2004 compared with 29.1 percent of men.
- A higher share of businesses is now owned by women than in 1997. In the District of Columbia, Maryland, and New Mexico, more than 30 percent of businesses are women-owned.
- A higher proportion of women (35.5 percent) than men (28.9 percent) work in professional and managerial jobs.

What's Disappointing?

- In no state does the typical full-time woman worker earn as much as the typical man. At the present rate of progress it will take 50 years for women to achieve earnings parity with men nationwide.
- Since 1995, the poverty rate among women in 15 states has increased, and in another 15 states women's poverty fell by less than 1.0 percentage point (compared with 1.0 percentage points nationally).
- The share of women without health insurance has increased in 43 states since 2002. Nationwide, 18.6 percent of women between the ages of 18 and 64, or 14 million, lack health insurance.
- Women's labor force participation has grown more slowly in recent years. It still lags men's nationwide (59.2 percent for women vs. 71.8 percent for men) and in every state in the nation.

Map 1: Best and Worst State Economies for Women



Source: Institute for Women's Policy Research 2006b.

percentage of women who are poor. A 'best' state ranks in the top 10 of all states on both composite indices and never ranks below the top half in the study. A 'worst' state ranks in the bottom 10 on both of the two composites and never ranks above the bottom half. Within these groups of best and worst states, ties are broken based on the combined scores on the two composites. The statistics used are obtained from analysis of federal government data sources (see Appendix II).

As Chart 1 shows, the best jurisdictions for women economically in 2006 are the District of Columbia, Maryland, and Massachusetts in first, second, and third place. Rounding out the top eight are Minnesota, Vermont, Connecticut and New Jersey (tied for sixth), and Colorado. These were the only states to rank in the top 10 on both economic composites. As Map 1 indicates, all of these states with economies that are favorable to women are roughly in the northeast corner of the United States or in the West, repeating a pattern that is common in most years for which the indicators have been calculated. Virginia, New Hampshire, Hawaii, and Alaska receive honorable mention in 2006, ranking 9th through 12th, because they are the only states to rank in the top 10 on one composite and in at least the top half on the other. These states are also in the West (the far west) or the Northeast or, in the case of Virginia, adjacent to states in the northeast corner.

The states with the worst economies for women are Arkansas, Louisiana, and West Virginia, ranking 51st, 50th, and 49th respectively (see Chart 1). Filling out the bottom eight, all of which have both composites scores ranking in the bottom 10 of all states, are Mississippi, Kentucky, Montana, Tennessee, and New Mexico. Dishonorable mention is given to Alabama, Wyoming, Idaho, Oklahoma, and Texas; these states are the only states that rank in the bottom 10 on one composite and in the bottom half on the other. As in prior years, these states are largely located in the southern region, with a few in the largely rural West (Montana, Idaho, and Wyoming) or on the border between the Northeast and the Southeast (West Virginia and Kentucky).

Why do state economies differ for women and men? It is well-known that women and men tend to work in different occupations and industries, such that some jobs and sectors, like nursing, become female-typed, whereas others, like construction, become male-typed. Thus, economic growth, or its lack, can affect women and men differently. State economies differ in the degree to which they are concentrated in different industries. States with larger shares of manufacturing and natural resource-based industries seem to constitute more favorable economic environments for men, whereas those with strong public sectors, health and education centers, and financial services seem to create more favorable

Chart 1	
The Best and Worst State Economies for Women	
Best States	**Worst States**
1. District of Columbia	51. Arkansas
2. Maryland	50. Louisiana
3. Massachusetts	49. West Virginia
4. Minnesota	48. Mississippi
5. Vermont	47. Kentucky
6. Connecticut	46. Montana
New Jersey	45. Tennessee
8. Colorado	44. New Mexico
Honorable Mentions	**Dishonorable Mentions**
9. Virginia	43. Alabama
10. New Hampshire	42. Idaho
11. Hawaii	41. Wyoming
12. Alaska	40. Oklahoma
	Texas

Note: Each of the best state economies for women appears in the top ten on the two composites presented in this study (Employment and Earnings and Economic Policy Environment). Each of the honorable mention states appears in the top ten on one of the composites and in the top half on the other. Each of the worst state economies for women appears on the bottom ten on both composites. Each of the dishonorable mention states appears in the bottom ten on one composite and in the bottom half on the other. For more detail, see Appendix II.

economic environments for women. It is also important to note that some states provide relatively good employment opportunities and high average incomes to both women and men, while others provide jobs that pay relatively lower wages to both genders. States also differ in their public policies. Some invest heavily in strengthening public education, increasing health insurance coverage, subsidizing child care, or reducing poverty, all areas which are important to women's economic progress, while other states spend less on such programs.

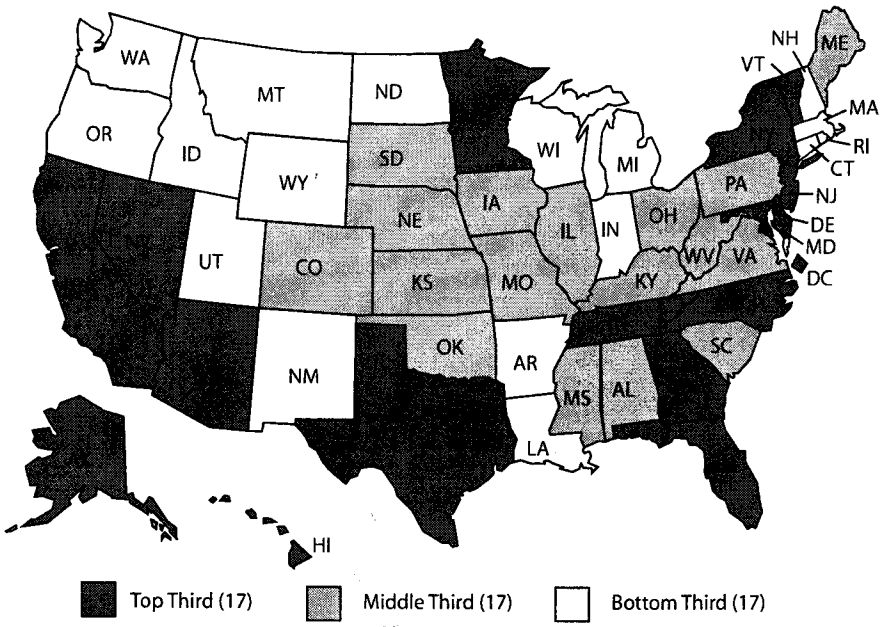
The findings in this briefing paper provide an overview of women's economic progress to assess the remaining obstacles to their economic equality and well-being across the country. They provide a guide to policy makers, business leaders, and community activists in each state who are interested in taking the next steps to improve women's economic success. Before looking at the state by state findings in detail, we note that this briefing paper does not address the dramatic differences in women's economic opportunities according to race and ethnicity. The lower earnings and family incomes of women of color are, of course, included in the data presented here, which are generally the average or median data for all women in the state or the nation. The differences between the groups are quite large, however, and making equal opportunity a reality requires that they be eliminated. (For example, while white women earn 73.1 percent of what white men do and Asian American women earn 80.8 percent of what white men earn, African American women earn only 63.2 percent, Hispanic women only 52.4 percent, and Native American women only 59.8 percent of what white men earn.) IWPR expects to release a report examining these differences in detail at the state level in 2007. (Basic demographic data about the US population can be found in Appendix I, Table 1.)

The economic success of all women is critical to the success and growth of every state. When women are able to contribute as full and equal participants in work, politics, and community life, they unleash the potential of cities, states, and the nation as a whole.

Employment and Earnings

The employment and earnings composite index combines four indicators of women's economic progress and measures how well women are doing in each state's economy: women's earnings, the wage gap, women's participation in the labor force, and women's representation in managerial and professional jobs. While self-employed women are included, the indicators are dominated by the experiences of wage and salaried workers since they constitute a much larger share of the labor force in every state. The level of these indicators is largely dependent on the actions of many individual employers regarding job creation and elimination and wage setting as well as the decisions

MAP 4: Earnings Ratio Between Employed Women and Men



Note: Ratio of median annual earnings between women and men, aged 16 and older, who work full-time, year-round, 2003-3005.
Source: Institute for Women's Policy Research 2006b.
Calculated by the Institute for Women's Policy Research.

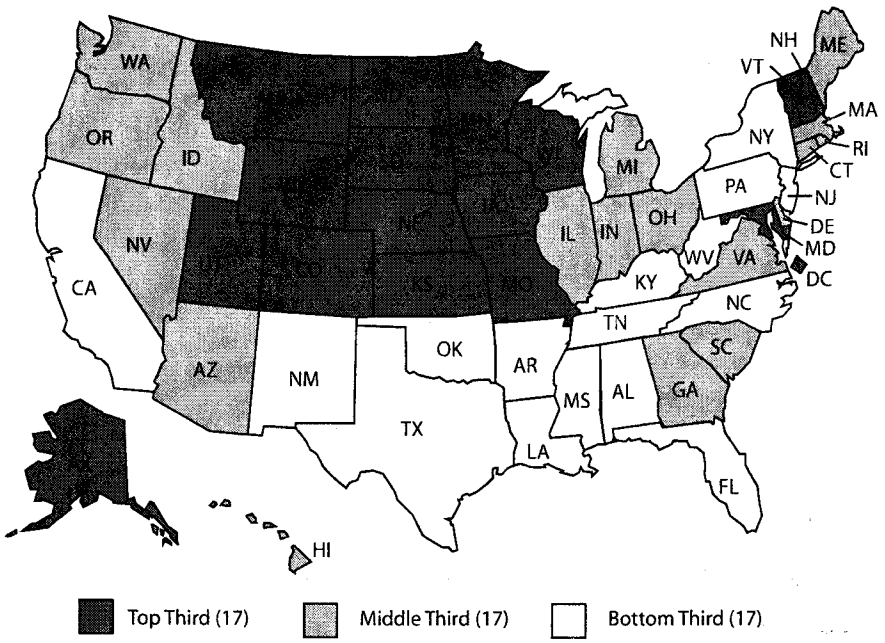
country, in 2005. In other low-ranking states, including Mississippi, New Mexico, and Wyoming, women earned only slightly more.

The Gender Wage Gap

In the United States, despite the faster growth of women's wages, their earnings continue to lag behind men's. In 2005, the typical woman who worked full-time, year-round earned only 77.0 percent as much as the typical man. In other words, among workers with the greatest employment effort, the typical woman earned 77 cents for every dollar earned by the typical man.

- The wage ratio is generally best in the Southwestern and Middle Atlantic states. It is worst in much of the Midwest, the South, and the Northwest. A few states in almost every region do well on this indicator, some because neither women nor men have high earnings; others, because both sexes have high earnings (see Map 4).
- The District of Columbia has the best earnings ratio in the nation—there, women who work full-time, year-round earn 85.5 percent of what men earn. While the District has been at the top of all states for the wage ratio since IWPR began its state measurements in 1996 (based on 1989 data), the 2006 ratio (based on data from 2003-2005) marks a 9 percentage point decline from the 2004 ratio of 92.4 percent (based on 2001-2002 data). This large decline is a result of unequal earnings growth for men and women: for example, between the 2004 and 2006 rankings men's earnings in real terms increased by 14 percent, while women's increased by only 5 percent.
- The District of Columbia is closely followed by second place Arizona, where the wage ratio is only 1.7 percentage points lower, at 83.8 percent. This is a substantial increase from a ratio of 79.8 percent in the 2004 rankings that improved the state's ranking by 5 places, moving Arizona from seventh to second place.
- In several other states, including Alabama, Minnesota, Nebraska, Nevada, North Carolina, New York, Ohio, Tennessee, and West Virginia, rankings for the wage ratio also improved by 10 or more places—in every case because women's earnings rose but men's fell. In one state, Ohio, women's and men's wages both decreased, but men's decreased more.
- Wyoming has the worst female-male earnings ratio in the nation, at 60.7 percent. Its ratio fell even further from the 2004 rankings, when it was also last—by 5.6 percentage points from 66.3 percent. Wyoming has ranked at the bottom of the states for the wage

MAP 5: Women's Labor Force Participation



Note: Labor force participation for the civilian noninstitutionalized population, aged 16 and older, 2004.
Source: US Department of Labor, Bureau of Labor Statistics, 2006b.
Compiled by the Institute for Women's Policy Research.

ratio since the 2000 rankings (based on 1996-98 data). Its highest ranking was in 1998 (based on 1994-96 data), when it ranked 46th for this indicator.

- Utah (65.3 percent), Louisiana (66.3 percent), Idaho (67.7 percent), and Michigan (69.8 percent) are next worst for the wage ratio in the 2006 rankings.
- Several states dropped by 10 or more places between the 2004 and 2006 rankings. In six of these states—Colorado, Kansas, Massachusetts, Missouri, North Dakota, and Rhode Island—men's wages increased while women's decreased. In three—Arkansas, New Mexico, and Mississippi—women's and men's wages both decreased, but women's decreased more.

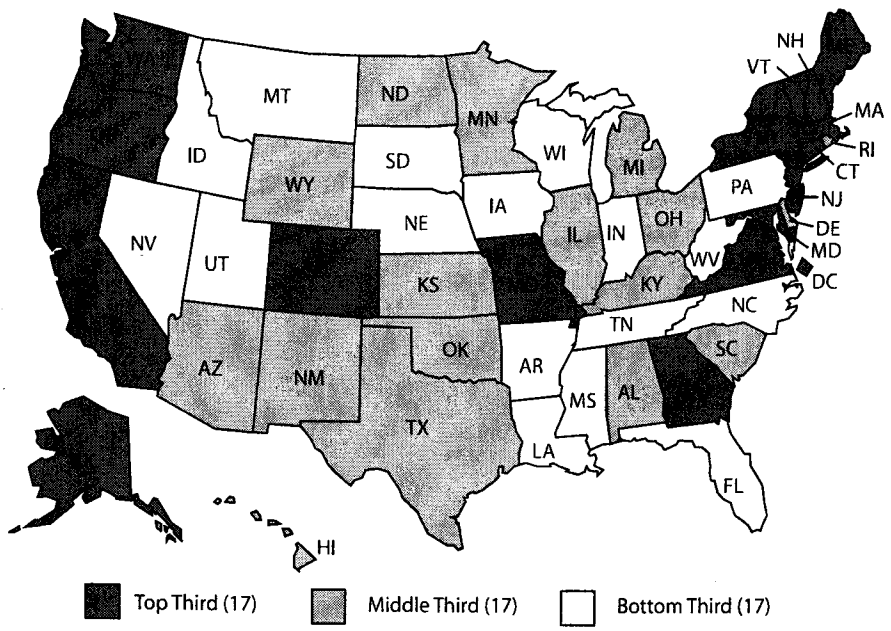
Women's Labor Force Participation

The labor force participation rate is the proportion of people who are either employed or unemployed and looking for work relative to the total civilian population. In 2004, the labor force participation rate of all civilian women 16-years-old and older was 59.2 percent, while that of comparable men was 71.8 percent (US Department of Labor, Bureau of Labor Statistics 2005). In the past several decades, labor force participation rates have been growing for women and declining for men. Growing labor force participation rates of women are a signal of women's growing commitment to the labor force and increasing economic autonomy. A downturn in women's labor force participation in the late 1990s may have been associated with the slowing of the economy; since the end of the 2001 recession, women's labor force participation rate has again increased slightly. Overall, the rate of increase has slowed considerably since its dramatic growth in the 1960-1980 period.

As clearly shown in Map 5, women's labor force participation varies consistently by region. Women are more likely to be working or looking for work in the mountain states and upper Midwest, a few northeastern states, and Alaska. In the southern states, as well as the mid-Atlantic states, the percentage of women in the labor force is generally lower.

- Women in South Dakota have the highest labor force participation rate at 69.4 percent, which is more than 10 percentage points higher than the national average.
- Other states where more than 65 percent of women are in the labor force include Alaska (65.6 percent), Colorado (65.3 percent), Iowa (65.4 percent), Minnesota (69.0 percent), Nebraska (68.5 percent), North Dakota (67.6 percent), Vermont (65.8 percent), Wisconsin (66.6 percent), and Wyoming (65.3 percent).

MAP 6: Women in Professional and Managerial Occupations



Note: Percent of all women workers aged 16 and older who are employed in managerial or professional specialty occupations, 2002.
Source: US Department of Labor, Bureau of Labor Statistics 2004.
Compiled by the Institute for Women's Policy Research.

Women's Employment in Managerial and Professional Occupations

Nationally, 35.5 percent of women workers employed in managerial and professional occupations, significantly more than men at 28.9 percent. The proportion of women in professional and managerial positions has increased more than 2 percentage points since 2001 (33.2 percent in 2001). Women living on the East and West Coasts are more likely to be employed in these occupations.

- Women in West Virginia have the lowest labor force participation rate at 49.1 percent – almost 10 percentage points less than the national average.
- Other states with low labor force participation among women include Alabama (55.8 percent), Arkansas (54.9 percent), Florida (55.4 percent), Kentucky (55.4 percent), Louisiana (54.9 percent), and Mississippi (55.5 percent).
- Two states, Rhode Island and South Carolina, improved their relative rankings for labor force participation of women by more than 10 places between the 2004 and 2006 rankings. In both states labor force participation of women increased by more than 2 percentage points.
- In Connecticut, Maryland, and Minnesota, women's labor force participation rates fell by more than 2 percentage points between the 2006 and 2004 reports (data refer to 2004 and 2002 respectively).
- In the District of Columbia, 52.5 percent of women are employed in managerial and professional occupations. The District has been the best state for women's professional employment since 1998. It has perhaps an unfair advantage compared with the states since it has no rural regions and women's representation in these top level occupations is generally greatest in urban areas.
- Other states with high proportions of women working in managerial and professional jobs include California (35.1 percent), Colorado (37.1 percent), Connecticut (37.2 percent), Georgia (35.1 percent), Maine (35.1 percent), Maryland (43.1 percent), Massachusetts (39.7 percent), New Jersey (37.6 percent), New York (35.4 percent), Oregon (35.2 percent), Vermont (36.7 percent), and Virginia (40.3 percent).
- A number of states showed an improvement of 10 or more places for women's managerial and professional employment between the

Chart 3: Best and Worst States by Indicator: Economic Policy Environment Composite			
	US Average	Top State	Bottom State
Composite Economic Policy Environment Index		**B+ (DC)**	**F (AR)**
Percent of Women with Higher Education, 2005	26.5%	45.3% (DC)	15.2% (WV)
Percent of All Businesses that are Women-Owned, 2002	28.2%	33.2% (DC)	22.4% (SD)
Percent of Women Above Poverty, 2005	87.3%	93.4% (NH)	81.6% (LA)
Percent of Non-Elderly Women with Health Insurance, 2005	81.4%	91.0% (MN)	70.8% (TX)
Source: For methods and sources, see Appendix II.			

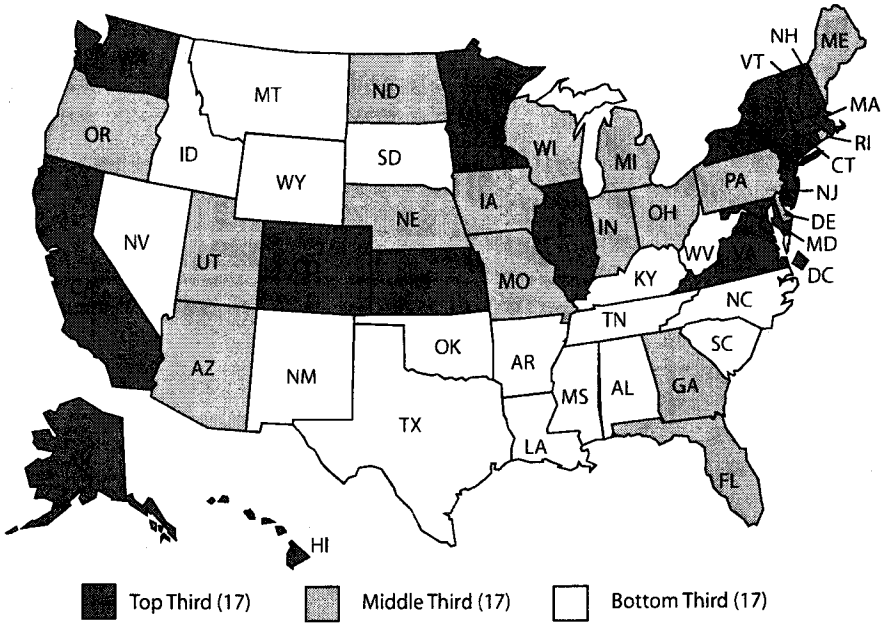
2004 and 2006 rankings (data for 2001 and 2004 respectively). These states include Alabama, Hawaii, Oklahoma, Oregon, and South Carolina.

- Idaho is the state with lowest percentage of women working in managerial and professional jobs (27.1 percent).
- Other low-ranking states include Arkansas (29.5 percent), Nebraska (29.9 percent), Nevada (29.6 percent), Tennessee (28.7 percent), Utah (28.8 percent), and Wisconsin (29.8 percent).
- The four states that moved down in the rankings for women's managerial and professional employment by 10 or more places between the 2004 and 2006 rankings are Alaska, Iowa, Pennsylvania, and Tennessee.

Economic Policy Environment

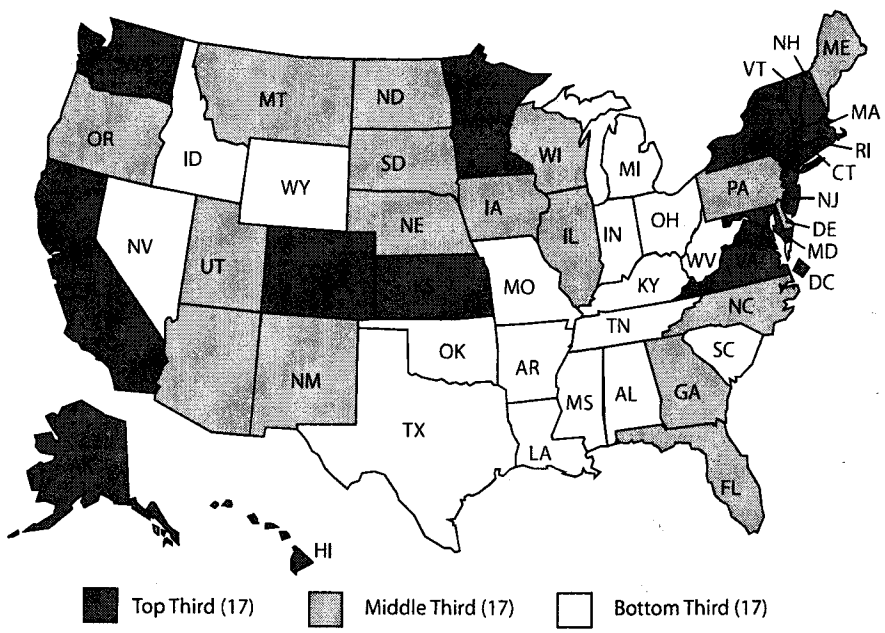
The Economic Policy Environment Composite Index combines four indicators of the women-friendliness of state economic policy: women's educational level (measured by the share of women with at least a four-year college degree), women's business ownership, women's poverty, and women's health insurance coverage. This component measures economic factors that state and local governments can influence substantially, through expenditures and regulations. They can allocate more money to provide higher education, reduce poverty, and increase women's health insurance coverage. They can set aside government contracts for women-owned businesses and increase the ease of establishing businesses through regulatory reform or technical assistance centers. The highest letter grade assigned on this composite is a B+, earned by the District of Columbia, and the lowest is an F, earned by Arkansas. The District is ranked first on two of the component indicators (women with college education and percent of businesses that are women owned); it ranks 10th on the percent of non-elderly women with health insurance, and 49th in the percent of adult women living above poverty. The District's high rating is achieved despite its very low ranking on poverty. Arkansas ranks in the bottom

MAP 7: Economic Policy Environment Composite



Note: For methodology and sources, see Appendix II.
Source: Institute for Women's Policy Research 2006b.
Calculated by the Institute for Women's Policy Research.

MAP 8: Women with Higher Education



Note: Percent of women aged 25 and older with a four-year college degree or more, 2003-2005.
Source: Institute for Women's Policy Research 2006a.
Calculated by the Institute for Women's Policy Research.

five states on three of the four component indicators, with its worst ranking (50th) on the percent of women with higher education. Its best ranking is on the percent of women above poverty, where it ranks 44th, still within the bottom eight states. Both the District and Arkansas have had consistent rankings over time on this composite. The District ranked first in 1996, 1998, 2000, and 2002 and second in 2004, and Arkansas ranked 50th or 51st in every ranking from 1996-2004. In earlier reports on the status of women, we have referred to this composite as the social and economic autonomy composite because, from women's perspective, it measures how well women can act independently, exercise choice, and control their lives.

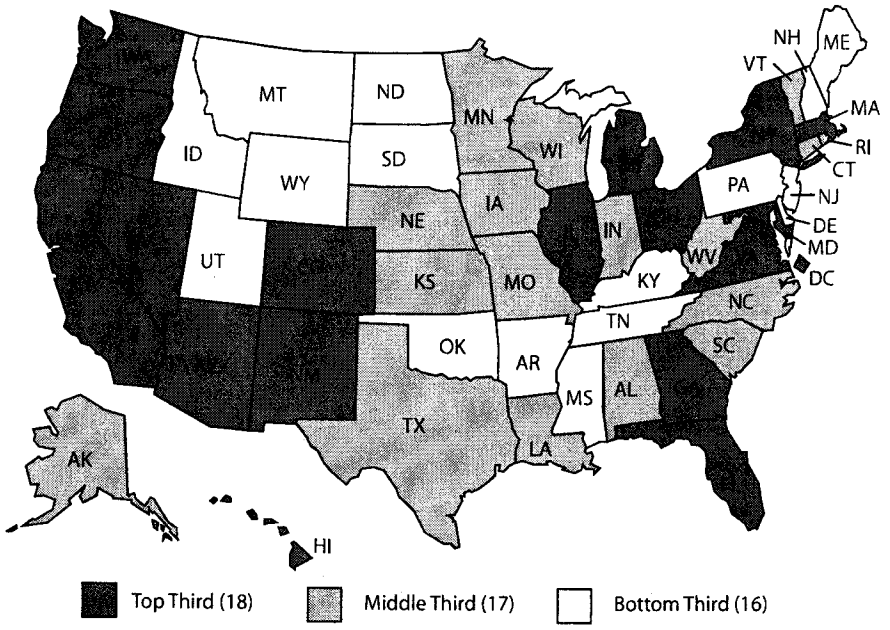
Map 7 shows the geographic distribution of the top, middle, and bottom third of states on the economic policy environment composite index, the second composite included in this study. Chart 3 displays its four component indicators, along with the best and worst state on each indicator. As with the first composite in this study, the range between the top and bottom state for each indicator is large. Slightly more than 30 percentage points separate the top from the bottom on percent of women with a college education, with the District of Columbia having 45.3 percent of its women with four-year college degrees or more and West Virginia having only 15.2 percent. The District also outstrips the bottom state by a large margin on percent of businesses that are women owned, 33.2 percent versus 22.4 percent for South Dakota. The percentage of women living above poverty ranges from 93.4 percent in New Hampshire to 81.6 percent in Louisiana. Minnesota has the best health insurance coverage rates for women among all the states (91.0 percent), while Texas has the worst (70.8 percent), a range of more than 20 percentage points.

Women's Education

The proportion of women with higher education has been growing continuously, both because the average level of education is increasing in the population as a whole and because women are graduating from colleges at higher rates than men. Among women 25 years old and older, 26.5 percent have at least a Bachelor's degree, which is an improvement from the year 2000, when only 23.6 percent of all women over 25 had four or more years of college education. The comparable figures for men were 27.8 in 2000 and 29.1 in 2004.

- The leading jurisdiction for women's educational attainment is the District of Columbia where 45.3 percent of women have at least a Bachelor's degree. The District has been the leading jurisdiction for women's education at least since 1989, the date of the data included in IWPR's first state rankings.

MAP 9: Women-Owned Businesses



Note: Percent of all firms owned by women, 2002.
Source: US Department of Commerce, Bureau of the Census 2006b.
Compiled by the Institute for Women's Policy Research.

Again, the District is advantaged by being exclusively an urban area, since educated women (and men) are drawn to metropolitan areas to find the highly skilled jobs for which their education prepares them.

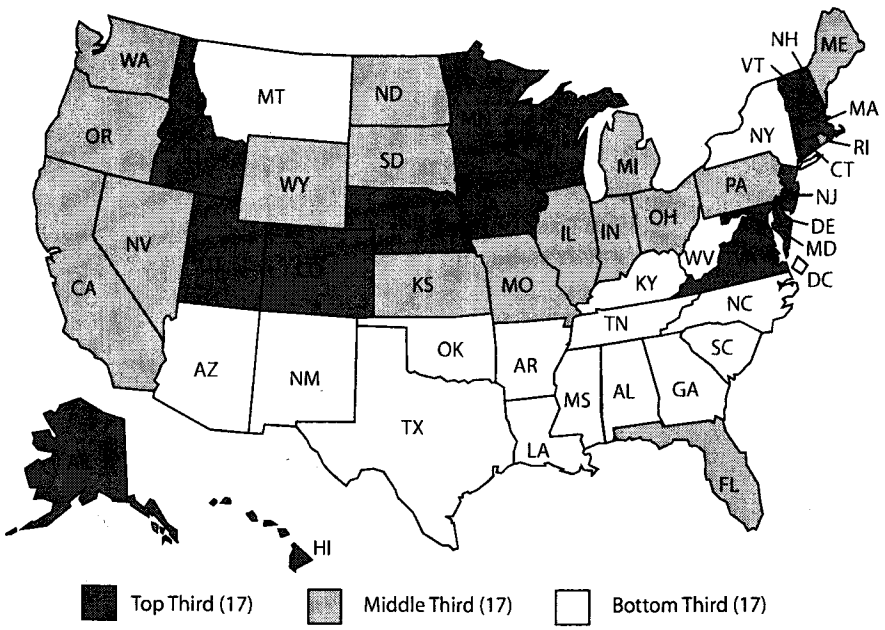
- In eleven other states, more than 30 percent of women have at least a Bachelor's degree. These states include Colorado (34.2 percent), Connecticut (34.9 percent), Hawaii (30.4 percent), Maryland (34.6 percent), Massachusetts (35.6 percent), Minnesota (32.3 percent), New Hampshire (31.9 percent), New Jersey (33.6 percent), New York (30.6 percent), Vermont (35.5 percent), and Virginia (30.4 percent). See Map 8 for the top, middle, and bottom thirds of all states on women's college education.
- The worst state for women's education is West Virginia, where only 15.2 percent of women have a Bachelor's degree or higher levels of education.
- In Alabama (19.6 percent), Arkansas (17.6 percent), and Kentucky (19.5 percent) fewer than 20 percent of women have a Bachelor's degree.
- While women's educational level increased in all the states since 2000 (the year of the data used in IWPR's 2004 rankings), five states that ranked in the bottom half in 2000 improved their rankings by at least 5 places. These states include Florida (from 37th to 32nd), Mississippi (from 48th to 42nd), North Dakota (from 27th to 19th), Pennsylvania (from 34th to 29th), and South Dakota (from 32nd to 27th).
- The states whose rankings decreased by at least 5 places since 2000 are Delaware (from 19th to 24th), Montana (from 21st to 28th), New Mexico (from 25th to 30th), Texas (from 30th to 35th), Washington (from 12th to 17th), and Wyoming (from 32nd to 46th).

Women's Business Ownership

After decreasing between 1992 and 1997, the percent of businesses that are owned by women increased again in 2002 (US Department of Commerce, Bureau of the Census 2006b).

- The District of Columbia is the jurisdiction with the highest share of businesses owned by women. In 2002 (the latest government data available and used in the 2006 rankings), 33.2 percent of all businesses in the District were owned by women.
- As shown in Map 9, other states where women own a large proportion of businesses, ranking in the top-third, are often west of the Rockies or in the eastern half of the country, including California, Colorado, Hawaii, Nevada, New Mexico, Oregon, and Washington in the West and the District of Columbia, Georgia, Florida, Illinois, Maryland, Massachusetts, Michigan,

MAP 10: Women Above Poverty



Note: Percent of women living above the official poverty threshold, 2003-2005.
Source: Institute for Women's Policy Research 2006b.
Calculated by the Institute for Women's Policy Research.

New York, Ohio and Virginia in the eastern half of the country.

- The worst state for women's business ownership is South Dakota, where only 22.4 percent of businesses had female owners (or majority female owners).
- Other states with low business ownership rates for women include Arkansas (23.7 percent), Delaware (24.1 percent), Maine (24.0 percent), Montana (24.4 percent), New Hampshire (24.7 percent), North Dakota (23.3 percent), and Wyoming (24.4 percent).
- Between 1997 and 2002, Georgia and Louisiana improved their rankings for women's business ownership by 10 places (the 1997 data were used in the 2004 rankings and the 2002 data are used in the 2006 rankings).
- The states that experienced a drop of 10 places or more in their ranking on women's business ownership between 1997 and 2002 are Alaska, Delaware, and Utah.

Poverty

Nationally, in 2005, the proportion of women aged 16 and older in poverty was 12.7 percent, compared with 9.2 percent for men (IWPR 2006a). The higher rate of women's poverty is reflected in very high rates of poverty for families headed by women alone: while only 5.1 percent of families headed by married adults had incomes below the federal poverty line for their family size and composition in 2005, families headed by women alone had a poverty rate of 28.7 percent, nearly six times more (US Department of Commerce, Bureau of the Census, 2006a).[3]

- Women are most likely to be poor (living in households with incomes below the federal poverty line) in many of the southeastern states, as well as in a few western states, such as New Mexico, Arizona, and Montana (Map 10). In the worst state for women's poverty, Louisiana, 18.4 percent of women live in families with incomes below the poverty level. In New Mexico and the District of Columbia (both at 17.8 percent) and Mississippi (at 17.3 percent), women are also much more likely to live in poverty than the national average (see Appendix III, Table 2).

[3]It should be noted that the federal poverty standard has not been updated except for inflation since it was first created several decades ago. Most experts consider it seriously out-of-date in that it has not kept pace with community norms of what constitutes a minimally decent standard of living; it is also far below the norms used in other wealthy countries. The value of non-cash benefits, such as Food Stamps, that many low-income families receive is also not typically included in family income when poverty calculations are made, nor is the cost of child care that is required when mothers work added on the minimally-decent-expenditures side (see Bernstein, Brocht, and Spade-Aguilar 2000 for a discussion).

Changes in Women's Poverty, 1995-2005

Nationwide, in the period from 1995 to 2005, the proportion of women living above poverty increased by 1.0 percentage points, from 86.3 percent to 87.3 percent. This change, however, masks a great deal of variation among the states. Figure 3 illustrates the range of their experiences.

Increasing Proportions of Women Above Poverty in Most States

In 34 states and the District of Columbia, the proportion of women above poverty increased between 1995 and 2005:

- Nine states had increases in the proportion of women above poverty between 2.0 and 4.0 percentage points: Mississippi (4.1), New Mexico (3.8), Minnesota (3.5), Oklahoma (3.2), Louisiana (2.9), Florida (2.8), California (2.6), District of Columbia (2.3), Idaho (2.3).
- Eleven states had increases between 1.0 and 1.9 percentage points, and 15 states had increases between 0.1 and 0.9 percentage points.
- One state, Alabama, saw the proportion of women above poverty remain the same between 1995 and 2005..

Despite impressive increases in the proportion of women above poverty in Mississippi, New Mexico, Oklahoma, Louisiana, Florida, the District of Columbia, and West Virginia, the proportion of women above poverty in all these states both began and ended the 1995-2005 period below the national average. Thus, their relatively large increases in the proportion of women above poverty did not eradicate their high poverty rates.

Decreasing Proportions of Women Above Poverty in Fifteen States

In 15 states, the proportion of women above poverty actually decreased between 1995 and 2005:

- The largest decrease in the percentage of women above poverty was shared by Maine, North Carolina, and Alaska, a decrease of 1.9 percentage points.
- Four states experienced decreases between 1.0 and 1.8 percentage points, while eight states experienced decreases between 0.1 and 0.9 percentage points.

States can play an important role in improving women's economic security and combating poverty among women by providing educational and training programs to maximize women's earnings potential, by setting minimum wage levels above the national minimum, and by strengthening efforts to guarantee women pay equity. In addition, states can implement welfare, tax, and unemployment policies that provide a basic safety net for those who earn very low wages or cannot work.

Figure 3
Changes in the Proportion of Women Above Poverty (in percentage points)
1995-2005